

Maize Monthly Research Report

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OUTLOOK AND REVIEW:**DOMESTIC MAIZE MARKET SUMMARY**

Maize cash markets showed a steady to range-bound trend during the month of April 2021 compared to previous month but slightly firm compared to corresponding period last year. For the month of May 2021, Agriwatch expects that Maize would trade steady to range-bound as expectation of an increase in new crop arrivals in coming weeks would weigh on market sentiments. On the other hand, continuous demand from domestic and global feed makers would support the market at the lower level.

In Telangana, maize crop arrivals are small in quantity and contain moisture up to 22%. Sources revealed that around 60%-70% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government and also due to uncertainty about market opening hours

In the Davangere region of Karnataka, maize market is closed at present and chances are to re-open from 14th May 2021. Nizamabad market is also closed at present and chances are that it might re-open on Monday, 10th May 2021.

MAIZE TRADE SCENARIO

Sources revealed that Maize in Gulabghat is being traded at Rs. 1,500 per quintal. Maize is moving towards Punjab, Haryana and M.P at Rs. 1,750-1,800 per quintal each, while Kolkata and South at Rs. 1,550 per quintal and Rs. 1,650-1,700 per quintal, respectively; sourced from Bihar. It is also moving towards Vizag at Rs. 1,700 per quintal, sourced from Bihar. Hyderabad poultry feed makers are buying Maize at Rs. 1,650 per quintal; sourced from Telangana.

INTERNATIONAL CORN MARKET SUMMARY

Maize on CBOT rose by US\$ 54.23 per MT to US\$ 276.37 per MT for May 2021 contract compared to the previous month due to increase in demand for U.S Maize. Agriwatch expects that increase in export demand for U.S. Maize, would continue to support CBOT Maize.

USDA decreased its World Maize Ending Stock Estimate by 3.82 MMT to 283.85 MMT for 2020-21, along with an increase in Consumption Estimates, which would support the global Maize market. USDA also decreased the Ending stock estimates for U.S, by 3.81 MMT to 34.34 MMT compared to previous month's estimates, along with an increase in Consumption and Exports Estimates, which would support the CBOT Maize market. USDA also revised the Ending stock estimates for Argentina and Brazil, at 2.12 MMT and 6.23 MMT, respectively for 2020-21.

INDIA MAIZE BALANCE SHEET

Maize Year-(Oct-Sep)	2019-20	2020-21F
Opening Stocks (MMT)	01.42	3.41
Production (MMT)	25.38	24.51
Imports (MMT)	00.34	0.02
Total Supply (MMT)	27.14	27.94
Export (MMT)	01.11	2.68
Domestic Consumption (MMT)	22.62	22.52
Total Demand (MMT)	23.73	25.20
Ending Stock (MMT)	03.41	2.75
Monthly Use	01.98	2.10
Stock to Use Ratio	14.38%	10.90%

- The 2020-21 season, beginning October 2020, started with an opening stock of 3.41 MMT and is expected to end in September 2021 with 2.75 MMT.
- Total Maize production in India is estimated at around 24.51 MMT in 2020-21 against our total annual demand including exports of 25.68 MMT.
- ***As the result we expect change in Ending Stocks.***

- ***F=AW Forecast***

CONSUMPTION BREAK UP

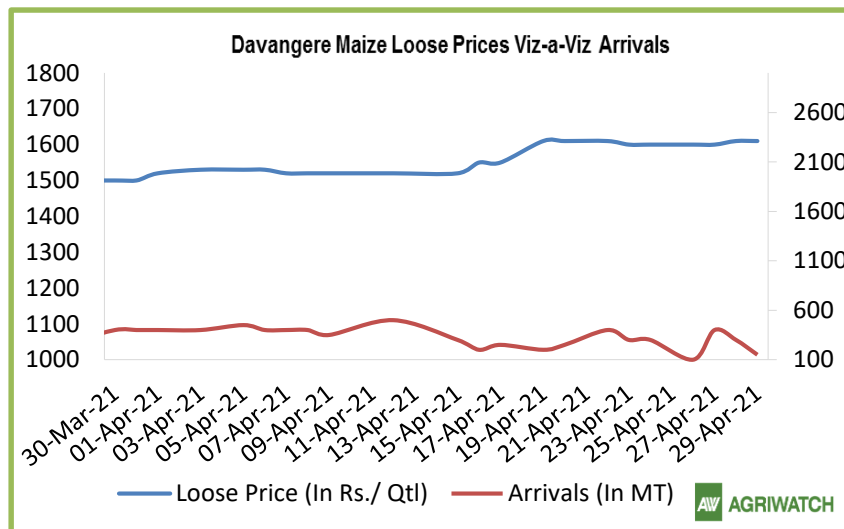
(Quantity in MMT)

Consumption Break Up	2019-20	2020-21F
Poultry & Cattle Feed	14.27	14.05
Starch & Brewery	04.66	04.66
Human Consumption	01.85	01.86
Seed	00.27	00.27
Shortage & Wastage	01.02	00.99
Storage & Moisture Loss	00.56	00.72
Total Domestic Consumption	22.62	22.55

STATE - WISE MARKET DYNAMICS

Karnataka

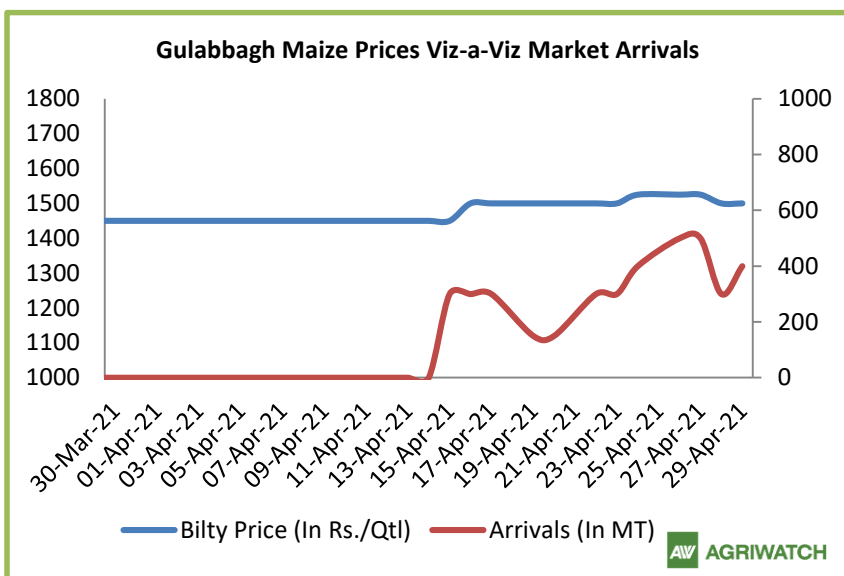
In Karnataka, maize is likely to trade steady to range bound in near term on the expectation of new crop arrivals in the month of May. Agriwatch expects that maize in Davangere would trade in a range of Rs. 1500-1600 per quintal (loose price) during the month of April'21.



Bihar

In Gulabghat region of Bihar, Maize is being traded between Rs.1,500-Rs.1,725 per quintal (BiltyPrice). Maize in Gulabghat would trade steady to range bound in the range of Rs.1,500-1,700 per quintal for the month of May.

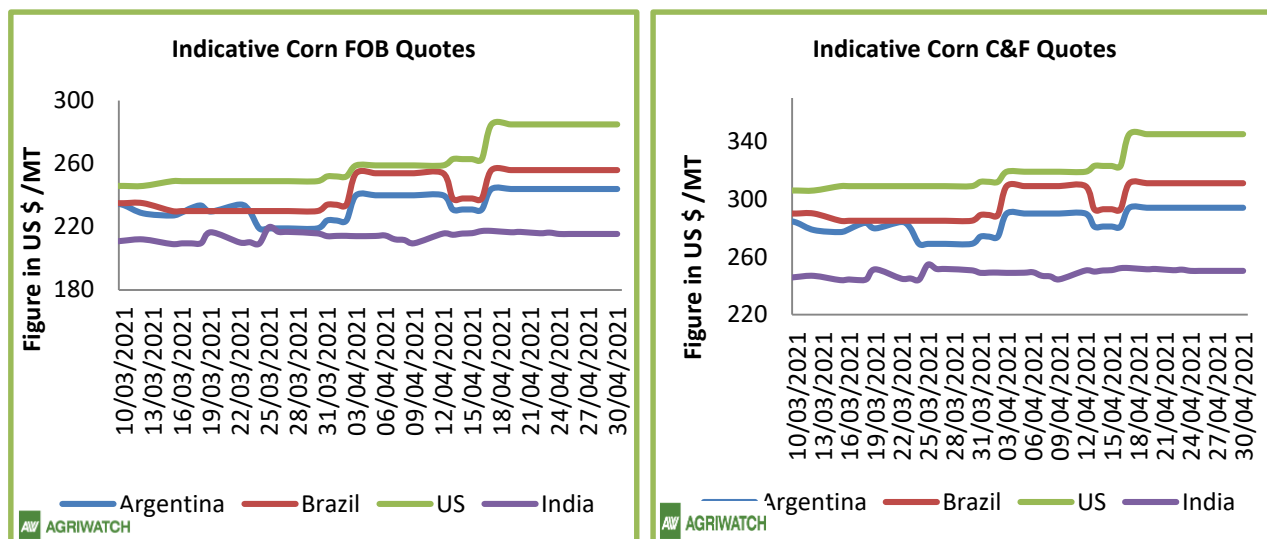
As expectation of the increase in new crop arrivals in coming week could weigh on market sentiments. However, if fresh export and stockists demand comes; could lead the market.



DOMESTIC PRICE OUTLOOK:

Agriwatch expects that Maize would trade steady to range-bound during the month of May 2021 on the expectation of increase in new crop arrivals in the coming weeks. Agriwatch expects that Maize in Nizamabad would trade in a range of Rs.1,450-1,600 per quintal during the month of May 2021.

ON THE EXPORT-IMPORT FRONT:



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.07)				
As on 30.04.2021	Argentina	Brazil	US	India
FOB	244.00	256.00	285.00	246.39
C&F	294.00	311.00	345.00	281.39

As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed.

MAIZE EXPORTS DURING MARCH'21:

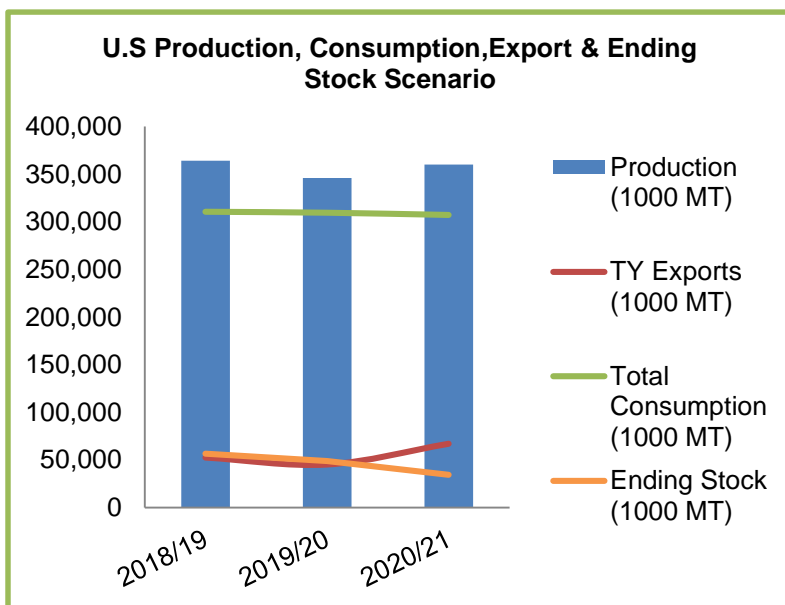
As per trade sources, India exported around 2,82,919 MT of Maize in the month of March 2021 at an average FoB of US\$ 223.76 per MT, out of which, 1,56,102 MT was exported to Vietnam at an average FoB of US\$ 243.33 per MT and around 31,592 MT was exported to Bangladesh at an average FoB of US\$ 210.99 per MT. Around 22,181 MT was exported to Nepal at an average FoB of US\$ 203.26 per MT. And, 61,808 MT was exported to Malaysia at an average FoB of US\$ 248.69 per MT.

MAIZE VESSEL POSITION:

Sources revealed that 30,000 MT of Maize Vessel, INDIGO SW, is waiting for a berth at Krishnapatnam port since April 27, 2021. While, 32,000 MT of Maize Vessel, CETUS STAR and, 30,000 MT of Maize Vessel, FEDERICA, was expected to complete loading at VIZAG port on April 22, 2021. And, 29,000 MT of Maize Vessel, BC VANESSA, has completed loading at Tuticorin port on April 30, 2021. Also, 27,000 MT of Maize Vessel, KEN HOU, has completed loading at Krishnapatnam port on April 08, 2021.

INTERNATIONAL MARKET SCENARIO:

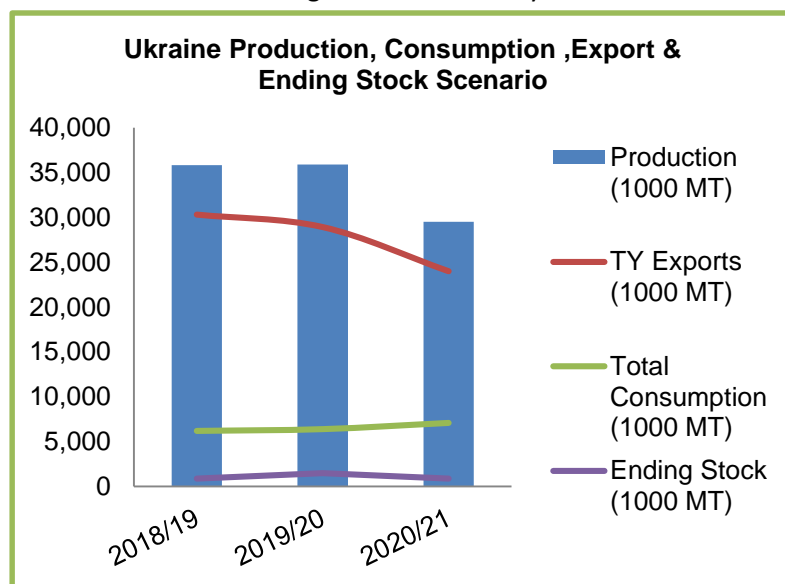
U.S. Maize exports have reached 41.31 MMT in the 2020-21 marketing year. At 1.92 MMT (for the period April 16-22, 2021) U.S. Maize exports were up by 19 percent from the previous week and 3 percent from the prior 4-week average; mainly for the destinations like Japan (3,99,500 MT), Mexico (2,87,400 MT), China (5,61,600 MT), and Colombia (94,600 MT). Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.



In its April 2021 report, USDA decreased its World Maize Ending Stock Estimate by 3.82 MMT to 283.85 MMT for 2020-21, along with an increase in Consumption Estimates, which would support the global Maize market.

USDA also decreased the Ending stock estimates for U.S, by 3.81 MMT to 34.34 MMT compared to previous month's estimates, along with an increase in Consumption and Exports Estimates, which would support the CBOT Maize market.

USDA also revised the Ending stock estimates for Argentina and Brazil at 2.12 MMT and 6.23 MMT for 2020-21 respectively, compared to previous month's estimates, while for Ukraine, it kept the same unchanged at 0.89 MMT for 2020-21, respectively.



Brazil second crop planting is over, out of which, around 25% late planted crop, is likely to suffer from critical weather.

USDA forecasted U.S. corn planted area at 36.867 million hectares for 2021 which was below the market expectations by about 1 million hectares. This led to a sharp increase in US corn prices on CBOT.

CBOT CORN FUTURE PRICES

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	30/04/2021	31/03/2021	Change
Corn CBOT Prices	May-21	276.37	222.14	+54.23
	July-21	255.21	215.54	+39.67
	Sep-21	224.6	195.27	+29.33
	Dec-21	215.05	187.98	+27.07
	Mar-22	217.31	191.13	+26.18

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Monthly Spot Price Comparison

Month-wise Average prices of Maize at various markets					
Market	2021-April	2021-March	2020-April	% Change from Prev. Month	% Change from Prev. Year
Delhi	1523	1558	Closed	-2.25	-
Davangere	1563	1500	1394	+4.20	+12.12
Shimoga	1576	1522	1552	+3.55	+1.55
Bagalkot	1510	1466	1271	3.00	+18.80
Gadag	1316	1450	1420	-9.24	-7.32
Nizamabad	1400	1415	Closed	-1.06	-
Khanna	1572	1402	Closed	+12.13	-
Sangli (NCDEX Quality)	1696	1691	Closed	+0.30	-
Gulabghat (NCDEX Quality)	1483	1453	1397	+2.06	+6.16
Naugachia	1413	1314	Closed	+7.53	-
Erode (NCDEX Quality)	1784	1680	Closed	+6.19	-

- All market prices are monthly average of loose prices

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